



Fair Political Practices Commission

428 J Street, Suite 620, Sacramento, CA 95814

www.fppc.ca.gov



NEWS RELEASE

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Contact: Sigrid Bathen
(916) 322-7761

Hearing on Prop. 54 suit moved to Sept. 19 *FPPC asks court to order disclosure of contributors*

A hearing on a motion by the Fair Political Practices Commission for a preliminary injunction against the American Civil Rights Coalition (ACRC) and its CEO, Ward Connerly, for violating campaign disclosure laws, has **been rescheduled for 9 a.m. Friday, Sept. 19, before Sacramento Superior Court Judge Thomas M. Cecil.** The motion for preliminary injunction seeks an order from the court requiring disclosure prior to the Oct. 7 election.

In a lawsuit filed Sept. 3, the FPPC alleges that ACRC and Connerly violated state campaign disclosure laws by failing to file campaign statements reporting the source of almost \$2 million contributed to promote the passage of Proposition 54 on the Oct. 7 ballot. The hearing on the motion for a preliminary injunction was originally scheduled Sept. 26, but last Friday (Sept. 5) was rescheduled for Sept. 19 at the request of FPPC attorneys.

The FPPC contends that ACRC has contributed more than \$1.9 million to the Proposition 54 committee since 2001 – or approximately 88 percent of all of the contributions received by the committee. Based on information the commission received from Connerly, the FPPC contends ACRC received the contributions from various donors. The organization is required by the Political Reform Act to disclose in campaign disclosure statements the identities of those donors. ACRC and Connerly have refused to file statements disclosing these contributors, leaving voters without any information about who is financing the campaign to win passage of the initiative.

“Timely disclosure is the backbone of the Political Reform Act,” said Commission Chair Liane Randolph. “Voters have a basic right to know who is funding political campaigns. They are entitled to this information in order to make well-informed decisions at the polls.”

Steven Russo, chief of the FPPC’s Enforcement Division, said ACRC and Connerly “have left us with no other option than to file suit to compel their compliance with the law. We had hoped that they would voluntarily comply with their disclosure requirements, but they simply have not done so. We will now act through the courts to try to ensure that voters receive the information to which they are entitled.”

This is the first time the FPPC has filed suit before an election to require campaign disclosure. A complaint filed by Common Cause and other organizations has been under

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investigation by the FPPC for several months. The complainants filed a Demand for Civil Action with the FPPC on Aug. 19, 2003.

The FPPC's complaint, motion for preliminary injunction, and supporting points and authorities are available on the FPPC Web site at www.fppc.ca.gov. Go to "litigation" on the left side of the home page.

An administrative settlement – called a stipulation – is the FPPC's most common method of prosecuting enforcement actions, with a maximum penalty of \$5,000 for each violation. The commission is also empowered under the Political Reform Act to file civil suits, with penalties ranging up to the amount not properly reported.

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